



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10
1200 Sixth Avenue, Suite 900
Seattle, Washington 98101-3140

Reply to
Attn Of: OWW-130

Ms. Leslie A. Cole
Director, Environment, Safety and Health Office
Department of the Navy
Puget Sound Naval Shipyard and
Intermediate Maintenance Facility
1400 Farragut Avenue
Bremerton, WA 98314

Re: PSNS NPDES Permit WA 000206-2; letters dated May 23, 2008 and June 6, 2008
regarding the Working Draft Permit and Fact Sheet

Dear Ms. Cole:

On behalf of the U.S. Environmental Protection Agency, Region 10, I'd like to thank you and the other Navy representatives for meeting with EPA on May 28, 2008, to discuss issues related to the National Pollutant Discharge Elimination (NPDES) permit for the Puget Sound Naval Shipyard. We also appreciate your discussion of the Environmental Investment (ENVEST) project. Based on our discussion, we believe that we have outlined a path forward using the NPDES permit process. We look forward to our next meeting scheduled for June 18, 2008, to discuss schedule milestones and permitting tools amongst EPA, the Navy and the Washington Department of Ecology.

As a result of some of the discussions we had during our meeting, and more specifically the Navy's letters that we received dated May 23, 2008 and June 6, 2008, I want to assure you that EPA has taken into consideration information acquired by Phase I of Project ENVEST while drafting the NPDES permit. For example, I believe the Navy's monitoring data and modeling efforts will be useful in conducting the mixing zone analysis and developing permit limits. Additionally, EPA is open to considering any additional information submitted by the Navy as a result of its early review and comment on the draft permit as well as during the formal public comment period. In addition, we will be considering the information generated through the ESA and tribal consultations.

In the Navy's June 6, 2008 letter, the Navy identifies major issues with the draft permit. We believe the Navy has extrapolated information and permit conditions and reached some inaccurate conclusions. For example, the Navy concludes that

the permit will require the Navy to treat 34 million gallons per day (mgd) of ground water, cooling water, and storm water. The working draft permit and fact sheet discuss the mixing zone analysis. We assume that a mixing zone will be granted and that treatment of the entire 34 mgd will not be required. Nor would the Navy be required to send 34 mgd to the Bremerton Wastewater Treatment Plant. We recognize the Navy's concern that the vessel cooling water exceeds Washington's water quality criteria. EPA's concern is with the dry dock floor drainage and contaminated storm water from the high-risk areas. EPA believes that the highest concentrations of copper from the dry dock outfalls is from the dry dock drainage, which makes up a fraction of the volume of water discharged through the outfall. This observation is supported by the Navy's documented responses to dry dock outfall copper violations. Therefore, the permit requires that the Navy monitor the dry dock stream and investigate options to collect and treat the dry dock floor drainage. In addition, the permit requires the Navy to identify the highly contaminated storm water areas and to look at the feasibility to collect and treat the stormwater from these areas. The Navy identified this as a compliance option during the scoping of ENVVEST alternatives.

The impact of contaminated stormwater on Puget Sound is an important issue. We look forward to working on a schedule to accommodate the input you have provided in the June 6, 2008 letter and our need to reissue this permit.

EPA does not view the traditional NPDES process as being inconsistent with the Phase I Final Project Agreement (FPA) signed by EPA, the Navy and Ecology in 2000. As you may recall from EPA's 2004 "Identified Program Track Options" memo, it was acknowledged that "any Phase II proposal would need to be tailored to the relative procedures of the program track," with the NPDES permit application process identified as a track option. While the May 28 letter envisions using the draft NPDES permit as merely a baseline in order to formulate a Phase II proposal, EPA believes that incorporating Phase I information into a draft permit while following the traditional NPDES process is consistent with the FPA, is in keeping with EPA's position that distinct program authorities provide a mechanism for ENVVEST proposals, and is the most expedient way to reissue a permit that has been administratively extended since 1999.

Thank you again for meeting with us. We look forward to further discussions on the permit.

Sincerely,

Mr. Thomas G. Eaton
Director
Washington Operations Office

cc: Kevin Fitzpatrick, Ecology

We look forward to our further discussions on the permit.

Sincerely,

Michael J. Lidgard
 Manager
 NPDES Permits Unit

cc: Kevin Fitzpatrick, Ecology

Initials	Srp	MJ	ML	
Name	S. Poulsom (w/Lisa Castanon & Mike Rylko)	M. Johnson	M. Lidgard	
Date	6/13/08	6/13/08	6/16/08	